

The C&E.D. Report

News from COMMUNITY & ECONOMIC DEVELOPMENT

About The C&ED Report

The C&ED Report is produced quarterly to inform stakeholders about the City's progress in Economic Development, Redevelopment and Community Services activities. This publication focuses on the latest news and activities relating to business assistance and advocacy; partnerships in business expansion, attraction and retention; neighborhood revitalization and infrastructure improvements; redevelopment; and community and social services.



Project News Briefs

"6 to 6" Pre-enrollment Coordinated

The Community and Economic Development Department, in collaboration with San Diego City Schools and local community-based provider agencies, successfully coordinated the pre-enrollment application process for admission to San Diego's "6 to 6" Extended School Day Program for the 2003-2004 school year, including a spot on the KUSI morning news featuring our very own Steve Amick. It is estimated that at least 20,000 applications were received. Operating in nine area school districts, the "6 to 6" Program opens community schools before and after normal hours to provide a safe place where elementary and middle school-aged children and youth can have fun and learn new skills while in a supervised setting. For more information, contact **Steve Amick** at (619) 236-6312.



San Diego Prepares for Another Round of Possible Base Closures

The City of San Diego is facing yet another round of Defense Base Closures and Realignment, with the next, fifth round of closures to be conducted in 2005 by the Department of Defense. The Department is seeking to not only reduce infrastructure by shedding

C&ED Programs in the News



Several Community and Economic Development Department projects and programs received exposure recently in print, television and radio news. For more information on these subjects, contact the project manager highlighted.

- **Affordable Housing/NOFA**
- Jim Davies, (619) 533-5373
- **NTC Redevelopment**
- Maureen Ostrye
(619) 533-5430
- **North Bay Redevelopment**
- Alexander Greenwood
(619) 533-5458
- **Barrio Logan Affordable Housing** - Ben Hueso
(619) 533-5214
- **Parking Meter District Program**
- Michele St. Bernard
(619) 533-4218
- **"6 to 6" Program**
- Deb Ferrin, (619) 533-6511
- **Enterprise Zones**
- Lydia Moreno, (619) 533-7512
- **Clean Syringe Exchange Program**
- Staaajabu Heshimu, (619) 236-6635
- **Online Business Development and Incentive Zone Mapping System**
- Andrea Savage, (619) 533-5303

Upcoming Events

July (TBD)

Small Business Administration-Services & Loans for Small Business: To make reservations call (619) 238-6630.

August 8TH

RTC Grand Opening: The Regional Transportation Center will open in City Heights. For more information contact Jim LoBue at (619) 533-5263.

August 31ST

The Fifth Annual "Viva El Mariachi Festival"
Presented by the San Diego County Hispanic Chamber of Commerce and partially funded by the City. For more information, contact (619) 702-0790

September (TBD)

The ABC's of Starting, Growing and Financing Your Small Business.
This business assistance seminar that will provide the basic tools and resources available to start and grow a small business. For more information, contact Lynette Jones at (619) 685-1386.

September 20TH

Hervey Family Point Loma Library Grand Opening (partially funded by Redevelopment). For more information, contact Arian Collins at (619) 236-5848.

Improving the Quality of Life and Ensuring a Healthy Economy for All San Diegans



THE CITY OF SAN DIEGO

COMMUNITY
& ECONOMIC
DEVELOPMENT

City Partner Profile

CDC Small Business Finance Celebrates 25th Anniversary

The San Diego City Council proclaimed June 9, 2003, "CDC Small Business Finance Day." The resolution recognizes CDC's 25 years of dedication to the growth of small companies through advocacy and lending services that benefit all San Diego communities. CDC Small Business Finance is one of the largest and most successful financial intermediaries in the nation, providing access to capital for small businesses through a range of programs and services in San Diego as well as in Orange, Riverside and Imperial Counties.



CDC Small Business Finance was founded with a mission of economic development, which it has achieved by securing small business capital for over 2,000 entrepreneurs. That commitment has been maintained throughout the company's history and resonates strongly today as the company has grown in size and in product offerings. In 2002, CDC secured a total of 150 SBA 504 loans approvals, representing \$208 million. The small businesses assisted last year by CDC Small Business Finance will create and retain more than 6,500 jobs in their communities.

In addition to its status as the nation's leading SBA 504 non-profit lender, CDC also administers six community loan programs including the first Multibank Microloan program in California — San Diego Bankers' Small Business CDC — and a state-chartered Financial Development Corporation in Orange County. CDC's programs pro-actively address the capital needs of small businesses that provide the bulk of economic growth. Many of these services are targeted to businesses owned by women and the historically disadvantaged, and small businesses in low- to moderate-income census tracts. Fundamentally, CDC is responsible for allowing small business owners to realize their dreams and provide a vital stimulus to the economy in the form of new jobs and business development. For more information on CDC Small Business Finance call **(800) 611-5170** or visit www.cdclloans.com.

Project News... continued from Page 1

excess capacity, but also shape the Armed Forces of the Twenty-First Century by deciding where those forces should be and what kind of facilities should support them. The City is proactively participating in demonstrating that bases and support activities located in San Diego County are integral to this transformation.

The City of San Diego's Community and Economic Development Department worked with the Regional Economic Development Corporation, County and City officials, and San Diego Chamber of Commerce to contract with Defense Conversion Resources, LLC, William Cassidy, Jr., to create a report on the 12 bases located in San Diego County. Cassidy's findings on the bases' missions, their efficacies and efficiencies were presented to Council in late April. The report and its findings prompted Mayor Dick Murphy to announce Council's support for moving forward with Cassidy's recommendations for responding to BRAC 2005.

Because this round of BRAC differs from all others in that the government has the option to limit land conveyances to local municipalities and it has the option to mothball, San Diego will take a proactive stance to keep its bases open and operational. Strategies include meetings with legislators and top decision makers at the Navy and Department of Defense. The Navy and DOD are already beginning to form judgments about particular bases and activities, so the time to act is now. To find out more about BRAC 2005, and San Diego's strategies to position the region for success, please visit the Mayor's website at www.sandiego.gov or call **(619) 533-4233**.

Regional Job Fair Offers Immediate Openings

More than 100 of region's premier businesses showcased hundreds of immediate job openings to San Diego's workforce at S.A.V.E./C.I.N.E.S. Job Fair 2003 (Students Are Valuable Employees/Cities Involved Now for Everyone's Success). The City of San Diego's Community and Economic Development Department took a proactive role in San Diego's employment concerns by forming a community partnership with San Diego Career Opportunities Partners, the state's Employment Development Department and the PennySaver. Resume critique services and workshops were also available to the nearly 5,000 attendees. Participating employers included 24 Hour Fitness, California Highway Patrol, Federal Bureau of Investigation, Homes.com, Internal Revenue Service, Manchester Grand Hyatt - San Diego, NASSCO, San Diego Gas and Electric, San Diego State University Foundation, SeaWorld San Diego, Time Warner Cable, University of California San Diego, the City of San Diego, and Wendy's.

Playground Open at Kiddie Hall

After a series of phases to complete Kiddie Hall, the ground floor playground has opened featuring a play structure, tire swing, sand box and fire truck spring rides. Kiddie Hall features two outdoor play areas: one on the third floor deck for infants and toddlers, and a second park-like area at ground level for children aged three to five on the center's ground floor. The 13,000 square-foot center officially opened its doors in December in the Comerica Bank building, providing infants to five-year-olds with quality daytime care in a state-of-the-art facility. Children participating in



the program are provided with academic enrichment and recreational activities such as arts, crafts and sports while their parents are at work. Items that will be added include a hillside slide, sand for the sand box and outdoor lighting. A non-profit organization, People for Trees is donating trees to install in the playground area.

NTC Exhibits Excellence in Leadership

Excellence in Government Fellows from the United States Department of Housing and Urban Development (HUD) chose the former Naval Training Center (NTC) as the project they wanted to focus on in a recent benchmarking visit to the City of San Diego. The Fellows, 20 individuals from HUD that have participated in the Excellence in Government program in Washington, D.C. for one year, came to NTC for a half-day leadership workshop on April 2, 2003. Gail Goldberg, planning director for San Diego, Maureen Ostrye, Redevelopment project manager for NTC, Marianne Gregson, director of marketing for NTC Foundation, and Hank Cunningham, director of the Community and Economic Development, focused on



organizational challenges they faced while working on the transformation of the former NTC to the vibrant mixed-use village that is taking shape on San Diego Bay.

The Council for Excellence in Government is a non-partisan, non-profit, national organization with a mission to improve the performance of government. Since 1983, the Council has built a record of success in conceiving and carrying out long-term programs to serve that mission, including programs designed to strengthen federal leadership and management. Excellence in Government Fellows are senior federal managers from multiple government agencies who have been identified as leaders of their organizations.

Jack Breaks Ground on New Innovation Center

Councilmember Donna Frye and Mayor Dick Murphy joined Jack himself, as they broke ground on Jack in Box's 70,000 square-foot Innovation Center near its corporate offices in San Diego. When completed in 2004, the Innovation Center will unite the company's marketing department with key technical groups, including research and development, quality assurance and operational services, in a state-of-the-art facility that will enable all aspects of menu development, from product ideation to restaurant execution.

Jack in the Box worked with the City's



Business Expansion, Attraction and Retention team to accomplish its goals for growth. Through conducting due diligence, expediting permits and offering incentive agreements, the City was able to work with Jack in the Box to make this Innovation Center a reality. The City of San Diego was proud to take part in the groundbreaking, not just because of the new innovations that will be coming out of this remarkable center, but because another company has decided that keeping their headquarters here in San Diego makes good business sense.

At a Crossroads

On Tuesday, May 6, 2003, the City Council approved and adopted the Redevelopment Plan for the Crossroads Redevelopment Project. The City Council vote followed more than 18 months of study and community discussions that included eight visits to the City Council and Redevelopment Agency, three visits to the City Planning Commission, and more than 120 community meetings. The Crossroads Project Area Committee (PAC), consisting of 15 volunteer members of the community recommended by a significant majority to the City Council the approval

of the new Crossroads Redevelopment Project Area.

The Crossroads Project Area Committee's next meeting is scheduled for 6:30 p.m. on July 24, 2003 in the Blessed Sacrament Church Basement. The PAC agenda will now focus on realization of the Crossroads Redevelopment Five-Year Implementation Plan. This is the first step in the 20 to 30 year life of the redevelopment program. For more information, please call **Tracy Reed** at **(619) 533-7519**.

SDSU's Community Economic Development Certificate Program

San Diego State University's (SDSU) Center for Community Economic Development (CED) is now accepting enrollment for the 2003-2004 Program. The CED Certificate Program consists of classes on such topics as community organizing, accounting, organizational development, and real estate development, among others. Additionally, coursework includes seminars on special topics such as ethnicity, affordable housing, and presentation skills, as well as a student project requiring research, evaluation, and multiple presentations. The Program serves to not only expand one's understanding of community and economic development, but provides an opportunity to network with community members as well. City employees are eligible for a tuition reimbursement in the amount of \$900 per fiscal year. Staff from our Department who are graduates of the CED Program include Ben Hueso, Lynette Jones, Alicia Martinez-Higgs, and Lydia Moreno. For more information, please contact **Lynette Jones** at **(619) 685-1386**.

NTC Park Plan Approved by Council

San Diego City Council approved the general plan for the former Naval Training Center's (NTC) park, developed and presented by the Redevelopment Agency, the Park and Recreation Department, and NTC's master developer, The Corky McMillin Companies. The design spans 49-acres between the Liberty Station development and the boat channel and along a small strip on the other side of the channel. McMillin will initially fund the \$14.7 million park.

A gathering place for families, artisans, businesses and community cultural



groups, NTC Park will be constructed in two phases. Phase I includes two ball fields, two large picnic areas, four half-court basketball courts, a sports plaza, two tot lots, an historical area at Preble Field, a natural habitat zone, a multi-purpose field, an esplanade for bicycling and walking, and three comfort stations. Phase II amenities include the conceptual aquatics complex and additional parking, which will be built when funding is made available. Until then, the area will be planted with turf. The design will now go before the California Coastal Commission for approval. After permits are issued for the plans, the approximately nine-month construction process will begin. For more information on NTC, please call **Maureen Ostrye** at **(619) 533-5430**.

\$50,000 Donation to Cortez Hill

A \$50,000 donation from The San Diego Foundation's Weingart-Price Fund will help finance the remaining improvements to the Cortez Hill Family Center, the City's first year-round transitional housing facility for homeless families. The grant will be used toward the construction of Phase II of the facility, which includes the construction of new dining, childcare and meeting rooms, as well as a play area for kids. The San Diego Foundation grant funds may be expended only for charitable, scientific, literary or educational purposes and are made at the recommendation of Price Charities Advisory Board. The Cortez Hill Family Center was recently recognized by the San Diego Mediation Center when it was awarded a Peacemaker Award for finding, "creative solutions to crises and conflict in our

society." For more information about the Cortez Hill Family Center, contact **Sharon Johnson** at **(619) 533-6525**.

South Bay Enterprise Zone Workshop

The City of San Diego, in partnership with the Grueskin Location Strategies and the Small Business Development and International Trade Center, held an informational workshop in April to explain how businesses can take advantage of several significant tax savings and assistance opportunities available in the South Bay Enterprise Zone. Fifteen of the attending businesses, representing both the San Ysidro and Otay Mesa communities had not yet taken advantage of the credits or other Enterprise Zone benefits. Meetings are going to be scheduled with other businesses to have one-on-one discussions about the benefits. Most will likely be able to amend returns for several years to take advantage of hiring and equipment credits. For more information about the City of San Diego's Enterprise Zones, contact **Lydia Moreno** at **(619) 533-7512**.

Debra Fischle-Faulk Appointed to Assistant Director

Debra Fischle-Faulk came to the City more than nine years ago after having served in the private sector for 17 years at General Dynamics. Her career at the City began as the Deputy Director of Contract Services where she managed the Equal Opportunity Contracting Program and was responsible for completing the City's Disparity Study, recommending alternative programs and implementing the recommendations of

the study. She also designed and developed the City of San Diego's Mentor Protégé Program. In her most recent position as the Community Services Division Deputy Director, Debra oversaw Community Development Block Grants, Child Care and "6 to 6" programs, Homeless, Disability and Youth Services, Operation Weed and Seed, Medical Cannabis Verification Card and Clean Syringe Exchange Programs. Her new post as the Assistant Director will expand her responsibilities department-wide. She will manage the day-to-day operations including Budget, Business and Community Outreach, Management Information Systems and Support Services. In addition to all her professional duties, Debra is working on her Masters in Public Administration. She is married, has two adult daughters, a school-age son and a grandson. Debra enjoys running and hiking.

Mike Jenkins is Retiring

For more than 17 years, Michael Jenkins has worked diligently to improve San Diego's economy and quality of life while working in the Community and Economic Development Department. Mike has decided to retire from C&ED, so the Department bade him farewell this month. Although Mike is looking forward to more free time to enjoy such passions as bike riding, camping and hiking, he won't be able to give up work completely. In fact, he has already made arrangements to work in affiliation with the Law Offices of Marie Burke-Lia. His hope is to continue to work in the community and economic development arena by assisting small businesses and nonprofit agencies put development

deals together. Mike Jenkins' genuine enthusiasm for and commitment to our Department's mission to improve the quality of life and ensure a healthy economy for all San Diegans is what has made Mike a leader in his field. We wish him all the best in his future endeavors and will continue our work according to the example he set.

Ernie Linares Promoted to Community Services Deputy Director

After nearly 16 years of working with the City, Ernie Linares has been promoted to Community Services Deputy Director. Ernie began in Financial Management as a Management Analyst and moved on to the Equal Opportunity Contracts Program and then to Planning as a senior budget analyst. During the past four and a half years, Ernie has been the Community Development Administrator where he managed Community Development Block Grants, section 108 loans, social services, budget and Management Information Systems. In addition to his past responsibilities, his new job description also includes Child Care, "6 to 6" Program, Youth Services and the Youth Commission and Homeless Services. Ernie holds a Bachelor of Science degree from San Diego State University in Business Administration and Marketing.

Pre-Paid Parking Meter Cards Now Available

Prepaid parking meter cards are once again available to drivers looking to avoid carrying large amounts of change for parking. The cards, available in \$10 and \$40 increments, are rechargeable up to \$49, reduce costs by decreasing the need for collections agents and deter theft from parking meters. As an added benefit, San Diego prepaid parking meter cards are the only cards in the state that refund unused time back to the card in six-minute increments. Drivers pay only for the time they use! The program, funded by the City's three Parking Meter Districts, has been incredibly successful since its inception in 1998, distributing more than 30,000 cards and collecting more than \$1.1 million in revenue. Cards are available at 14 locations throughout the City with more locations tentatively scheduled to meet demand. For more information

about the Pre-Paid Parking Meter Card Program and for locations where cards can be purchased, visit the City's website at www.sandiego.gov/economic-development/business-assistance/small-business.

City Offers Training Seminars For Small Businesses

The City of San Diego's Community and Economic Development Department, in partnership with the Small Business Development and International Trade Center at Southwestern College, offered a business assistance seminar to inform small business owners and entrepreneurs how to develop a small business into a successful enterprise. The seminar was held in the Sports Arena area in May and covered topics such as approaches to business ownership, business plan development, starting the business, market research, marketing, financing, and alternative funding sources. The seminar also featured information about the various programs and services provided by the Community and Economic Development Department, as well as other local, state and federal programs that provide technical assistance and funding for the small business community. Additional seminars will be scheduled throughout the year. For more information and reservations, please contact the City of San Diego's Community and Economic Development Department at **(619) 685-1390**.

Recipients Announced for the Economic Development and Tourism Support Grant

The City of San Diego's Economic Development and Tourism Support (EDTS) program awarded 19 of 23 applicants with a grant total of \$719,551. Grant amounts vary per recipient and will enable non-profit organizations to assist the City attract and/or develop business and economic opportunities, develop employment opportunities for City residents and promote the City as a tourist destination. Established by the City Council in 1998, the program has enjoyed many successes. During fiscal year 2002, the program provided 200 loans to small businesses, facilitated the creation of 1,858 jobs, generated approximately \$4.8 million in hotel room sales and nearly \$500,000 in Transient Occupancy Tax Revenue. Recipients include: Food and Beverage

Association, Hostelling International, Mission Valley Tourism Council, Traveler's Aid Society of San Diego, International Visitor's Council, San Diego County Hispanic Chamber of Commerce, ACCION San Diego, Otay Mesa Chamber of Commerce, Promote La Jolla, San Diego Regional Technology Alliance, City Heights Community Development Corporation, Diamond Community Development Corporation, International Rescue Committee, Japan Society of San Diego and Tijuana, San Diego East Visitors Bureau, Asian Business Association, Bayview Community Development Corporation, East County Economic Development Corporation, Responsible Hospitality Institute. For more information, contact **Luis Ojeda** at **(619) 533-4246**.



City Partners with San Ysidro Non-Profit to Build Affordable Housing

The City of San Diego Redevelopment Agency has partnered with Casa Familiar, a non-profit organization in San Ysidro, to construct the Casitas De Las Florecitas affordable housing project. The eight-unit development is designed for low-income families looking to own their first home, and marks another step taken by the City to provide high-quality, affordable housing options for all San Diegans. The City, Casa Familiar, the San Diego Housing Commission and other organizations will assist in subsidizing construction and purchase costs of the \$2.7 million development. Casitas De Las Florecitas is located within the



A Closer Look: Enterprise Zones

San Diego's Enterprise Zone (EZ) program is playing a major role in improving the local economy. In a recently published report by the independent research firm Applied Development Economics (ADE), commissioned by the California Association of Enterprise Zones, EZ's play an integral part in stimulating investment and spurring job growth. EZ's are economically distressed, high unemployment areas in which businesses can claim certain state income tax savings. State and local benefits include:

California Income Tax and Other Benefits:

- Tax credits may be claimed on up to half the wages paid to qualified new employees.
- Tax credits may be claimed for sales taxes paid on equipment purchased for manufacturing or production purposes.
- All net operating losses may be carried forward as a deduction in future years.
- Business equipment depreciation can be accelerated, up to a limited amount.
- Low-income employees can claim their own personal income tax credits.
- The state will give priority for Industrial Development Bond applications.
- Lenders (both commercial and private) may deduct net interest

2002 Net Gains for Enterprise Zones	\$249 million
Percentage above minimum wage for starting salaries in Enterprise Zones	70% \$11.55/hr.
2002 Cost Savings to Public Assistance	\$40 million
Local investment in San Diego EZ's	\$1 Billion
Vouchers issued in 2002	2,058
Total number of vouchers issued	more than 10,500

income on loans to Enterprise Zone businesses.

- The Enterprise Zone Job Referral Service will assist with recruitment and pre-screening for new employees at no cost and will provide the necessary verification for you to claim tax credits on their wages.
- City staff can expedite permit applications and serve as liaison with other City departments.
- Certain development fees may be reduced or waived.
- New development projects located in the City's Enterprise Zones are eligible for direct assistance by the City. Assistance includes help in determining project application requirements, fast track permit processing, liaison help in the development process.
- The City can provide an exemption from urban impact fees (Metropolitan Enterprise Zone only) and housing trust fund fees.

San Diego is home to two of 39

Enterprise Zones statewide: the **Metropolitan Enterprise Zone**, which includes portions of downtown San Diego area to the east and the **South Bay Enterprise Zone**, which includes the communities of San Ysidro, Otay Mesa as well as portions of the City of Chula Vista. The City also boasts a "special Enterprise Zone" at the former Naval Training Center, in the form of a Local Area Military Base Recovery Area (LAMBRA) designation that provides similar incentives.

Enterprise Zones are among the most beneficial tools in San Diego's "tool box" of incentives to stimulate investment and create jobs. Other special zones include Redevelopment Project Areas, the federal Renewal Community, Business Improvement Districts, a Foreign Trade Zone and Recycling Market Development Zones. The City also offers a wide array of business assistance and incentive programs designed for large and small businesses. To learn more, please visit the City's website at www.sandiego.gov.

Project News... continued from page

San Ysidro Redevelopment Project Area and is among the finalists for the proposed Pilot Village Program. The project is conveniently located near two major freeways, bus transit hubs and the San Diego Trolley System, as well as shopping and commercial districts including the newly constructed Las Americas retail, entertainment and cultural complex. Completion is expected in February 2004. For more information, contact **Robert Chavez** at (619) 533-5368.

NTC Website Revamped

With the Naval Training Center taking shape as one of San Diego's premier

communities, the City's newly redesigned website is a multi-functional roadmap describing the project, its rich history and promising future. The 361-acre waterfront community will become a mixed-use, urban village that includes commercial, recreational, residential, and other uses in a pedestrian-oriented environment. For more information, contact **Maureen Ostrye** at (619) 533-5430 or visit www.sandiego.gov/ntc

"6 to 6" Fees Opposed

On June 17, Council voted to abandon its revenue recovery strategy to charge families a \$90 per child yearly fee and \$70 for each additional child to use "6 to

6" services. After City Council approved a General Fund allocation reduction of \$938,000, the Superintendent and City Manager agreed to reduce the anticipated expansion from 800 students to 400 students to offset the loss. Despite the reduction, "6 to 6" will have a slightly higher overall budget in FY 04 than in FY 03, rising from \$22.2 million to \$22.6 million. Over \$2 million in new grants were accepted by Council (\$660,480 in 21st Century funds and \$1.44 million in state ASES funds). The second cohort of ASES-funded sites, including 26 elementary schools and eight middle schools, will be re-certified at full funding for three additional years beginning July 1, 2003.